

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

CSFs – Loans to CSFs - Financial assistance of Rs.390.00 Lakhs to M/s. NVR & ADR Coop. Sugars Ltd., Jampani, Guntur District as loan – Administrative Sanction – Accorded – Orders - Issued.

INDUSTRIEST & COMMERCE (SUGAR.A2) DEPARTMENT

G.O.Ms.No. 60

Dated:18.07.2013

Read the followings:-

- 1) From the COS & CC, AP, Hyderabad, Lr.Rc.No.2361/G3/2011, Dated:22-03-2012.
- 2) From the COS & CC, AP, Hyderabad, Lr.Rc.No.2361/G3/2011, Dt:28.04.2012 & 29.05.2012.
- 3) Govt. Memo.No.4833/Sug/A2/2012, dt:18.07.2012.
- 4) From the COS & CC, AP, Hyderabad, Lr.Rc.No.2361/G3/2011, Dt:23.08.2012.
- 5) Govt. Memo.No.12505/Sug/A2/2012, dt:17.05.2013.
- 6) G.O.Rt.No.2854, Finance (Expr.I&C) Dept., Dt:08.07.2013.

ORDER:

In the ref. 1st read above, the Commissioner of Sugar & Cane Commissioner, AP, Hyderabad has informed that the Managing Director, M/s. NVR & ADR Cooperative Sugars Limited, Jampani while furnishing the details of the commitments has stated that there was no crushing operations in the Coop. Sugar Factory since 2008-09 onwards, and no generation of funds, the salaries of employees are pending from January 2011 onwards and requested to recommend the Government to sanction an amount of Rs.390.00 lakhs to meet the salaries and other statutory payments, as shown below.

(Rs. In Lakhs)

1.	<u>Permanent Staff salaries for 12 Months:</u> Salaries to the permanent staff for 12 Months i.e., From January, 2011 to December, 2011 @ Rs.12.86 Lakhs per month inclusive of Provident Fund matching contribution.	Rs.154.40
2.	<u>Seasonal permanent Staff retainer.</u> Seasonal permanent staff retainery allowance for 10 months from Jan 2011 to Oct, 2011 @ Rs.3.32 lakh per month including P.F. matching contribution.	Rs.33.15
3.	<u>Seasonal permanent staff salaries.</u> Salaries to the Seasonal permanent staff for 2 months i.e., Nov, 2011 & Dec, 2011 at Rs.9.24 lakhs + P.F. matching contribution. (the CSF has taken-up crushing operations for 2012-13 season)	Rs.18.40.
4.	<u>NMR Wages.</u> The Wages to NMRs staff for 4 months i.e., Sept, 2011 to Dec, 2011 at Rs.18.56 lakhs per month + PF. Matching contribution. (NMRs will be called for overhauling works + season)	Rs.54.24
5.	<u>Legal Fee:</u> The Cases pending in the Hon'ble High Court filed by the Cane growers Association / KCP. Sugars, Arbitrate Cases filed by the KBIL and PF. Penal damages case at New Delhi etc., hence legal fees to be paid to the Advocates	Rs.4.00
6.	<u>Retired employees benefits:</u> To pay the retirement benefits to the employees retire on or after 01-12-2010 onwards. (CSF settled the benefits to retired employees prior to 01-12-2010 with amounts sanctioned earlier by Govt vide G.O.Ms.No.84, Dt: 07-02-2011.	Rs.11.06
7.	<u>EL encashment to Staff:</u> To pay Earned leave encashment to the employees except casual employees as for the leave Rules.	Rs.16.80
8.	<u>Gratuity Insurance dues to LIC. of India:</u> To pay premium to LIC authority in respect Group Gratuity Insurance dues as per LIC Scheme.	Rs.51.74
9.	<u>EDLI Insurance Payment:</u> Statutory payment towards EDLI insurance for settlement of claims in case of diseased employees.	Rs.8.00
10.	<u>Panchayat Tax:</u> The Secretary Gram Panchayat Jampani issued notice for payment of Panchayat Tax for the year 2010-11. Panchayat Tax to be paid.	Rs.3.80

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11.	<u>"D" Plot expenses</u> The CSF is having demonstration plot of 20 acres Expenditure for weeding the planting the cane in this month.	Rs.4.00
12.	Telephone, Postage and Oils:	Rs.1.75
13.	General Body meeting expenditure:	Rs.2.25
14.	Voucher payment employees:	Rs.6.00
15.	Consolidate employees wages	Rs.7.50
16.	Private Security Wages:	Rs.4.00
17.	Insurance to Factory Buildings, Plant & Machinery, Godowns and Sugar Stocks:	Rs.8.00
	Total	Rs.389.09

2. In this regard, the Commissioner of Sugar & Cane Commissioner, AP, Hyderabad has stated that there is a balance amount of Rs.144.75 lakhs from out of the loan amount of Rs.508.00 lakhs sanctioned by the Govt. vide G.O.Rt.No.84, Industries & Commerce (Sugar) Department, Dt.07-02-2011.

3. While explaining the circumstances of M/s. NVR & ADR Coop. Sugar Factory Limited, the Commissioner of Sugar & Cane Commissioner, AP, Hyderabad has requested the Government to take a suitable decision on the request of the Managing Director, M/s. NVR & ADR Coop. Sugar Factory Limited as last chance as this is the only the Cooperative Sugar Factory which requires operational support to fund its losses and presently there are no similar requests from other Cooperative Sugar Factories on these lines, vide reference 2nd read above.

4. During the Review Meeting of Sugar Department held by the Hon'ble Chief Minister on 19.03.2013, the Chief Minister has agreed to consider the proposal for release of Rs.3.89 crores to M/s. NVR & ADR Coop. Sugar Factory Limited to meet pending salaries of the employees and accordingly the Finance (Exp. I&C) Department has issued a Budget Release Order for Rs.390.00 lakhs under Plan from the BE Provision 2013-14 towards additional amount for payment of salaries and statutory payments to the M/s. NVR & ADR Coop. Sugar Factory Limited, as loan., vide reference 6th read above.

5. After careful examination of the matter, and keeping in view of the Budget Release Order issued by the Finance Department in the reference 6th read above, Government hereby accord administrative sanction for an amount of Rs.3,90,00,000/- (Rupees three crores ninety lakhs) towards additional amount as loan to M/s. NVR & ADR Coop. Sugar Factory Limited, Jampani, Guntur District, for payment of salaries and other expenditure as shown in para-1 above, under Plan from the BE provision 2013-14, duly authorising the Commissioner of Sugar & Cane Commissioner, AP, Hyderabad, subject to no further releases to this Coop. Sugar Factory, till the Government finalises its view on closure / privatisation of all the Sugar Factories.

6. The above expenditure shall be debited to the Head of Account 6860- Loans for consumer Industries 04- Sugar -101- Loans to Coop. Sugar Mills - GH.11 Normal State Plan - SH (08) - 001- Loans to Coop. Sugar Factories.

7. The Commissioner of Sugar & Cane Commissioner, AP, Hyderabad shall take necessary further action accordingly as specified in para-1 above and compliance in the matter.

8. This order issues with the concurrence of the Finance (Exp.I&C) Department vide their U.O.No.17494/244/Exp.I&C/2013, Dt..08.07.2013.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K. PRADEEP CHANDRA
PRINCIPAL SECRETARY TO GOVERNMENT &
COMMISSIONER, INDUSTRIAL PROMOTION

To
The Commissioner of Sugar & Cane Commissioner, AP, Hyderabad.
The Director of Treasuries & Accounts, AP, Hyderabad.
The Pay & Accounts Officer, Hyderabad.
Copy to:
The Accountant General, AP, Hyderabad.
The Finance (Exp.I&C) Dept.

// FORWARDED :: BY ORDER //

SECTION OFFICER